



JAMES A. NOYES, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

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IN REPLY PLEASE  
REFER TO FILE: **AS-0**

April 25, 2002

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**2002 CHARTER BUS TRANSPORTATION SERVICE  
ALL SUPERVISORIAL DISTRICTS  
3 VOTES**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the Charter Bus Transportation Service is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA).
2. Approve the enclosed master contract (Enclosure C) for the "2002 Charter Bus Transportation Service" with the nine contractors listed in Enclosure A, effective July 1, 2002, for a one-year period with four 1-year options, not to exceed a total contract period of five years.
3. Delegate authority to the Director of Public Works to execute the individual contracts under this master contract with each contractor listed; to execute additional contracts with qualified contractors; to renew each executed contract for the four 1-year renewals, if, in the opinion of the Director, renewal is warranted; and to terminate any or all individual contracts.
4. Authorize the Director of Public Works to disburse up to \$1.3 million of Proposition A Local Return Transit funds for this service annually. This amount may include up to \$200,000 for noncontract vendors.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this recommended action is to approve the continuation of the Special Event Transportation Program by awarding of contracts to nine contractors. This program continues to be an effective approach for transporting unincorporated County area residents to various recreational and cultural events in and around the County.

### **Implementation of Strategic Plan Goals**

This action meets the County's Strategic Plan Goal of Service Excellence as it provides service to the public, including senior citizens and youth, in a responsive manner. This service provides an opportunity for those who have no other means of transportation to participate in a variety of new experiences.

### **FISCAL IMPACT/FINANCING**

The estimated annual cost for this program is approximately \$1.3 million. The Special Event Transportation Program will be financed from each Supervisorial Districts' Proposition A Local Return Transit funds. Each district will finance all costs associated with trips scheduled at their request. This allocation includes up to \$200,000 for use in procuring noncontract vendors but only under special circumstances.

Each individual contract will be for a 1-year period commencing on July 1, 2002. These contracts may be renewed at the Director's option from year to year for a total contract period not to exceed five years. In any event, any one or all contracts under this program may be canceled or terminated at any time by the Director, without cause, upon the giving of at least 30 days' written notice to the contractor(s). These contracts also allow termination, should funds not be appropriated for a future year.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

This master contract has been approved as to form by County Counsel.

Public Works has evaluated and determined that the Living Wage Program (County Code Chapter 2.201) does not apply to these recommended contracts which are for non-Proposition A services, as these services are required on an as-needed and intermittent basis.

### **ENVIRONMENTAL DOCUMENTATION**

This discretionary project is statutorily exempt from the CEQA pursuant to Public Resources Code 21080(b) (10) under transportation-related projects.

### **CONTRACTING PROCESS**

On March 6, 2002, we issued a Request For Qualifications (RFQ) to 150 independent contractors and community business organizations for Charter Bus Transportation Services. Proposers were requested to submit their qualifications and pricing for air-conditioned coach buses, economy school buses, and Americans with Disabilities Act compliant buses. Notice of proposal availability was placed on the County's bid website and an advertisement was placed in the Los Angeles Times.

On March 27, 2002, nine contractors (Enclosure A) submitted statements of qualifications, as well as pricing. Upon evaluation of the nine submissions, it was determined that each submission met all of the requirements of the RFQ. Therefore, it is recommended that the nine contractors (listed in Enclosure A) be offered the opportunity to enter into a County contract to provide these transportation services.

It is requested that the Board delegate to the Director the authority to execute the individual contracts with each contractor based on the master contract (Enclosure C). This will limit the number of contracts processed through the Board.

It is our intent to leave the RFQ process open, so that we can continue to receive statements of qualifications and pricing from additional vendors. With the Board's delegated authority, the Director can enter into additional contracts with vendors who meet the RFQ requirements. These new contractors will be ranked with existing contractors according to price by service category. Additionally, all contractors may submit price changes monthly and they will be ranked according to their revised prices.

Awarding multiple contracts and keeping the RFQ process open will allow us to ensure timely response to workload requirements. When work is identified, we will offer it to the lowest-cost contractor by service requirement. In the event that contractor is not available to do the work, we will select the next lowest-cost contractor for that service. However, due to this program's success, demand occasionally exceeds the availability of vehicles from contract vendors. At these times, we may be required to utilize noncontract vendors to supply the requested vehicles. After having contacted our contractors and confirming that they have no vehicles available, the Supervisorial District requesting the trip will be contacted to confirm that they are agreeable to allow a noncontract vendor to be used. We will then contact noncontract vendors until vehicle availability is confirmed. A purchase order will then be issued to the noncontract vendor to procure their service. Purchase orders for these services will not exceed \$200,000 annually.

Enclosure B reflects the minority participation of the nine proposers. Upon final analysis and consideration, the contractors were selected without regard to race, creed, gender, or color.

Public Works has confirmed that the Child Support Services Department has received each contractor's Principal Owner Information form in compliance with Los Angeles County Code, Chapter 2.200 (Child Support Compliance Program).

The master contract contains recent Board-ordered contract terms and conditions regarding contract termination for improper consideration, contractor consideration of GAIN Program participants should the contractor require additional or replacement personnel, contractor notification to their current and new employees regarding the Federal-earned income tax credit, the use of recycled-content paper products, and contractor responsibility and debarment.

The required Comprehensive General and Automobile Liability insurance certifications, naming the County as additional insured, and evidence of Workers' Compensation insurance will be obtained from each contractor before that contractor will be allowed to accept work from Public Works.

As requested by your Board, each contractor has submitted a safety record which, in our opinion, reflects that activities conducted by these firms have been according to reasonable standards of safety.

The Honorable Board of Supervisors  
April 25, 2002  
Page 5

In accordance with the Chief Administrative Officer's June 15, 2001, instructions, Public Works assures your Board that no contractor under this program will be required to perform services that exceed the program's approved amount or the contracts' scope of work and/or terms.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This action provides for continuation of the current service.

**CONCLUSION**

Upon approval, please return two approved copies of this letter to Public Works.

Respectfully submitted,

JAMES A. NOYES  
Director of Public Works

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Enc. 3

cc: Chief Administrative Office  
County Counsel

MASTER CONTRACT

Enclosure C

THIS CONTRACT, is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2002, by and between \_\_\_\_\_, hereinafter referred to as "PROVIDER" for Charter Bus Transportation Service, hereinafter referred to as "SERVICE," and the County of Los Angeles, hereinafter referred to as "COUNTY":

W I T N E S S E T H

WHEREAS, organizations in COUNTY consisting of elderly, youth, and/or persons with disabilities request transportation assistance to recreational functions and activities; and

WHEREAS, COUNTY desires to provide the requested transportation by providing charter buses to those organizations which have an approved request, hereinafter referred to as "SERVICE"; and

WHEREAS, COUNTY desires to enter into agreements with various competent, established, and skilled providers for the provision of SERVICE; and

WHEREAS, COUNTY desires to have available various providers to provide SERVICE to allow for availability of vehicles, time constraints, and cost; and

WHEREAS, COUNTY will finance the cost of SERVICE for the term of this CONTRACT using COUNTY'S Proposition A Local Return funds; and

WHEREAS, PROVIDER has agreed to provide SERVICE, as one of the various providers selected by COUNTY, in accordance with the hereinafter mentioned conditions and terms; and

WHEREAS, PROVIDER has agreed that by entering into this CONTRACT there is no guarantee from COUNTY that PROVIDER will be providing a minimum level of SERVICE, if any SERVICE at all; and

WHEREAS, PROVIDER has agreed that PROVIDER will provide SERVICE at sole discretion of COUNTY; and

WHEREAS, PROVIDER has agreed that COUNTY from time-to-time may enter into or terminate agreements with various providers for the provision of SERVICE; and

WHEREAS, this CONTRACT is awarded pursuant to the authority of Section 26002 of the Government Code of the State of California, which Section authorizes COUNTY to furnish and operate public transportation services within the COUNTY.

NOW, THEREFORE, in consideration of the covenants and conditions herein contained to be kept and performed by the parties, hereto.

IT IS AGREED AS FOLLOWS:

1. Service Availability

- A. COUNTY will enter into Charter Bus Transportation Service contracts with more than one provider.
- B. COUNTY will request SERVICE from the lowest cost provider. In the event that the lowest cost provider does not have the desired vehicle(s) available to provide SERVICE, COUNTY will then request SERVICE from the next lowest cost PROVIDER. Lowest cost is based on provider's current Bus Rate Sheets. The lowest cost provider will be determined by COUNTY for each individual SERVICE trip.
- C. PROVIDER may revise any of their Bus Rate Sheets monthly during the contract year. Revisions are to be received by COUNTY no later than the 25<sup>th</sup> day of the month or, if the 25<sup>th</sup> falls on a DEPARTMENT non-work day, no later than the last DEPARTMENT work day prior to this date. Revised bus rates received by the 25<sup>th</sup> will be effective on the first day of the month immediately following their submission. Revisions received after this deadline will not become effective until the first day of the second month following their submission.
- D. Revised Bus Rate Sheets shall be submitted in writing to County of Los Angeles, Department of Public Works, Programs Development Division, 11<sup>th</sup> Floor, Transit Operations Section, Attention Ms. Kathi Delegal, 900 South Fremont Avenue, Alhambra, California 91803-1331.

2. Service Information

- A. School or coach bus service is offered through each Supervisorial District of the County of Los Angeles to elderly, youth, and/or persons with disabilities which have requested transportation assistance to recreational functions and/or activities.

- B. SERVICE is provided within/to the counties of Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura.
- C. This CONTRACT does not specify or guarantee a minimum or maximum of bus orders for any one day.
- D. PROVIDER under this CONTRACT may receive a payment for \$450 from COUNTY, if PROVIDER has not provided any SERVICE trips for COUNTY for the entire CONTRACT year beginning July 1 and ending on June 30 and each subsequent one-year extension thereafter. If warranted, payment will be made to PROVIDER within 180 days following the expiration of each contract year. However, if COUNTY confirms that PROVIDER denied a total of three or more SERVICE trips during the contract year, as described in Sections 7.B and 7.C of this CONTRACT, PROVIDER shall forfeit the right to the \$450 payment for that contract year.

3. Scope of Service

PROVIDER shall furnish SERVICE at such times and places as may be requested according to SERVICE requirements defined in this CONTRACT, and within the established SERVICE area identified in APPENDICE B, "Service Area" attached to this CONTRACT.

4. Term of Service

The term of SERVICE under this CONTRACT shall be effective from the date of execution of this CONTRACT by the COUNTY's Director of Public Works (DIRECTOR), or his designee, through June 30, 2003. This CONTRACT may be extended in increments of one year through June 30, 2007. The COUNTY, acting through the DIRECTOR, will give written notice of intent to extend the term at least 30 days prior to the end of the current term. In any event, this CONTRACT may be canceled or terminated at any time by the DIRECTOR without cause upon the giving of at least 30 days notice to the PROVIDER.

5. Equipment

- A. PROVIDER, as an independent contractor, shall, at its sole cost and expense, have sufficient vehicles and vehicle operators available to provide SERVICE for each trip requested by COUNTY and confirmed by PROVIDER. PROVIDER shall not subcontract trips to any other company including separate divisions of its own company.



- B. PROVIDER shall possess, or be willing to acquire at its own expense, a facsimile machine.
- C. Each of the PROVIDER's vehicles shall be equipped with two-way radios with compatible radio dispatch equipment at PROVIDER's control facilities.
- D. As a substitute to the two-way radios, each of the vehicles may be equipped with a cellular telephone.
- E. All PROVIDER's vehicles to be utilized under the terms and conditions of this CONTRACT shall be subject to the inspection and approval of the DIRECTOR and shall be safe for operation on public roads and streets. PROVIDER shall, at its sole cost and expense, register and license such vehicles and equipment as may be necessary or required to operate said vehicles and equipment on public roads and streets.
- F. PROVIDER shall maintain a satisfactory California Highway Patrol (CHP) terminal inspection throughout the life of this CONTRACT. If PROVIDER receives an unsatisfactory rating from the CHP, PROVIDER shall notify COUNTY within one hour of receipt of rating and state what is being done to correct the deficiency. If the Public Utilities Commission (PUC) revokes the PROVIDER's permits to operate the vehicles for this SERVICE as a result of unsatisfactory inspection ratings by the CHP, the PROVIDER's vehicles shall immediately discontinue operations under this CONTRACT.
- G. All of the vehicles, equipment, and facilities required by this CONTRACT shall, during the term hereof, be maintained by PROVIDER in good order and repair and in a condition satisfactory to DIRECTOR.
- H. Advertising on the vehicles is prohibited unless written authorization is obtained from DIRECTOR. The terms and conditions of any such advertising shall be subject to approval by DIRECTOR. Proceeds of the advertisement will be remitted to COUNTY. DIRECTOR's decisions on these matters shall be final.
- I. PROVIDER shall provide additional vehicles, as necessary, in the event of a vehicle breakdown. In the event of a vehicle breakdown, the maximum response time shall be 45 minutes, from the time of the scheduled pickup, for additional vehicles to be made available for the patrons to continue on to their destination.

- J. PROVIDER shall provide and maintain appropriate fixed maintenance facilities for the servicing of the vehicles and equipment utilized under this CONTRACT. Such facilities shall be subject to inspection and approval of DIRECTOR.
- K. PROVIDER, shall in the course of its operations under this CONTRACT, comply with all current and applicable Federal and State Safety Regulations. In addition, PROVIDER shall comply with General Order No. 98A of the PUC, State of California, relating to the operation and maintenance of buses and bus equipment.

6. Service Requirements

- A. PROVIDER shall coordinate orders for SERVICE with COUNTY and will be required to provide trips on a year-round basis.
- B. Bus trips will start from and return to points designated by COUNTY. Trip pick-up locations will be anywhere within the COUNTY, and the trip destinations may be anywhere within the counties of Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura.
- C. PROVIDER shall remain with groups from the initial pickup to the final dropoff as requested unless the trip request is determined by COUNTY, at its sole discretion, as a Split Trip. COUNTY will inform PROVIDER of Split Trips via telephone and on the Transportation Request Form, Appendix E. A Split Trip means that for a period of time following the destination drop-off until the scheduled destination pickup for return back to the point of origin, or another specified location, there will be a break in SERVICE at no charge to COUNTY. Chargeable SERVICE to COUNTY is as follows:
  - 1) From the initial point of pickup to the destination (plus any deadhead miles, if applicable), and
  - 2) From the destination to the point of return (plus any deadhead miles, if applicable).
- D. PROVIDER shall not correspond directly with groups to reserve buses for trips that are pending authorization from COUNTY or trips that have yet to be submitted to COUNTY for charter bus transportation service. Buses reserved in this manner will be documented as nonchargeable by COUNTY due to pre-arrangements between requesting groups and PROVIDER.

- E. PROVIDER shall be able to accept reservations and provide buses with 24-hour notice from COUNTY.
- F. PROVIDER shall hold a valid charter license or certificate issued by the California Public Utilities Commission at all times during the period of this CONTRACT. PROVIDER shall notify COUNTY within one hour of the loss of a valid charter license or certificate and shall immediately discontinue operations under this CONTRACT.
- G. PROVIDER shall have a live dispatch service operating during normal business hours (Monday through Friday, 8 a.m. to 5 p.m.) and be available by telephone after normal business hours including weekends. PROVIDER's dispatch shall have constant two-way communication with each charter bus in service under the terms of this CONTRACT.

7. Service Parameters

- A. SERVICE as requested by COUNTY, shall start from and return to points designated by COUNTY. SERVICE pickup locations will be anywhere within the County. SERVICE destinations may be anywhere within the counties of Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura.
- B. During normal business hours (Monday through Friday, 8 a.m. to 5 p.m.) and a minimum of 24 hours prior to the specified pickup for requested SERVICE, PROVIDER shall confirm the availability of SERVICE within one hour of COUNTY's telephone request. The request for SERVICE will include date, pickup location(s), destination(s), pickup, and return times, the type and number of vehicles needed, and if the trip is a Split Trip. Once COUNTY has received an oral confirmation for SERVICE, a Special Event Transportation Confirmation Form, APPENDIX E, will be faxed to the PROVIDER. Each Form will have a confirmation number assigned to it. PROVIDER shall return the Form signed and dated, via facsimile, to COUNTY within three business hours as confirmation of receipt of request. For verification of SERVICE provided, PROVIDER shall include the confirmation number and passenger count on the invoice for payment of SERVICE rendered.
- C. During weekends and after-hours and/or when less than 24 hours remains before SERVICE is required, COUNTY will contact PROVIDER, via telephone, to request SERVICE from PROVIDER. COUNTY will provide the date, contact person, pickup location, destination, pickup, and return times; and the type and number of vehicles needed. PROVIDER will confirm the ability to provide the requested SERVICE. If PROVIDER accepts SERVICE, COUNTY will fax PROVIDER a confirmation

number the next business day. For verification of SERVICE provided, PROVIDER shall include the confirmation number and passenger count on the invoice for payment of SERVICE rendered.

- D. PROVIDER shall maximize client satisfaction by providing clean buses and efficient service with drivers who have been properly trained to deal with the public in a pleasant and helpful manner.
- E. Whenever PROVIDER has notice or knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of SERVICE to be provided herein under this CONTRACT, PROVIDER shall immediately give notice to COUNTY via telephone, and confirm by written notice thereof, including all written information with respect thereto. PROVIDER shall consult with COUNTY to determine the best method or course of action to alleviate or avoid any such delay and shall take such action thereafter in this matter as directed by COUNTY.
- F. PROVIDER shall notify COUNTY, via telephone, one hour before the scheduled pickup for each trip that the assigned bus has left their yard or the assigned driver is preparing to leave the yard. For Split Trips, this notification is required a second time from PROVIDER to inform COUNTY that the driver is in route for the return trip from the destination to the initial pickup.
- G. PROVIDER shall notify COUNTY, via telephone, that contact has been made with the group(s), or if group contact has not been made by the scheduled pickup time. For Split Trips, this notification is required a second time from PROVIDER to inform COUNTY that the driver has made contact with the group.
- H. COUNTY will reimburse the PROVIDER for all parking and toll bridge charges as long as the original parking stubs or receipts are attached to the billing invoice submitted to COUNTY.
- I. PROVIDER shall not make changes to SERVICE requests unless the revisions are requested directly by COUNTY.
- J. PROVIDER shall notify COUNTY when one of the following occurs, but not limited to:
  - 1) If a group's passenger count drops to ten or less;

- 2) If a group is able to fully occupy fewer buses than requested. Notification is expected by PROVIDER even if more than one PROVIDER is providing SERVICE for the same trip;
- 3) If a group cancels with PROVIDER prior to the trip date or at the time of pickup;
- 4) If group payment, as noted by COUNTY on the confirmation form, is not paid to PROVIDER prior to group boarding the bus;
- 5) If during a SERVICE trip, a group requests to change any portion of the trip itinerary; or
- 6) If continuing with the trip will jeopardize the safety of the passengers and/or the general public.

Upon PROVIDER's notification to COUNTY of any SERVICE trip occurrences, COUNTY will advise PROVIDER on the action to take.

#### 8. Liquidated Damages

PROVIDER shall strive to maintain on-time performance while performing SERVICE under the terms of this CONTRACT. PROVIDER will not be held responsible for the failure to provide on-time SERVICE due to delays with passenger boardings, unusual loading and unloading of equipment, medical and police response required for passengers, or naturally occurring disasters if sufficient documentation is provided to DIRECTOR.

All times, limits, and acts required to be done by these Specifications are of the essence of this CONTRACT and should the PROVIDER fail to perform or complete the work required to be done at the time set forth in these Specifications, it is mutually understood and agreed that the public will necessarily suffer damages and that such damages, from the nature of the case, will be extremely difficult and impractical to fix; that the COUNTY and the PROVIDER have endeavored to fix the amount of said damages in advance; that the amounts set forth hereinafter are the nearest and most exact measures of damages for such breach that can be fixed now or could be fixed at or after such breach, and that therefore, the COUNTY and the PROVIDER hereby fix the liquidated damages set forth hereinafter and not as a penalty of forfeiture for breach of this CONTRACT, and in the case of any such breach the COUNTY may assess such liquidated damages or deduct said amount from the amount due the PROVIDER under the terms of this CONTRACT.

Notwithstanding the above, COUNTY shall impose liquidated damages on the following basis:

- A. Notification: If notifications as required in Sections 7.E, 7.F, and 7.G of this CONTRACT, are not completed, the liquidated damages shall be \$25 per notification not completed.
- B. Replacement Service as a result of Provider notification neglect:  
If PROVIDER fails to notify COUNTY that confirmed SERVICE is in route, as required in Sections 7.E and 7.F of this CONTRACT and following COUNTY's attempts to contact PROVIDER, via telephone, COUNTY will schedule replacement SERVICE with another PROVIDER. Search for replacement SERVICE shall begin at COUNTY's discretion so as to avoid long delays with a group pickup. If COUNTY receives notification from PROVIDER that SERVICE is currently being provided, one of the following shall apply:
  - 1) If COUNTY cancels SERVICE with the replacement PROVIDER before the driver has been dispatched, the liquidated damages to the initial PROVIDER shall be \$25 per occurrence per bus; or
  - 2) If COUNTY cancels SERVICE after the replacement PROVIDER has dispatched a driver to the pickup location, the liquidated damages to the initial PROVIDER shall be \$150 per occurrence per bus.
- C. Adherence to Service Schedule: If PROVIDER's SERVICE is 15 to 29 minutes late, after the designated pickup time, the liquidated damages shall be \$50 per occurrence per bus. The liquidated damages for a 30 to 59 minutes late pickup shall be \$250 per occurrence per bus.
- D. Incomplete Trip: If a SERVICE trip requested by COUNTY, and confirmed by PROVIDER, as outlined in Sections 7.B and 7.C of this CONTRACT, is not completed (one hour or later for pickup) as requested, the liquidated damages shall be \$1,000 per occurrence per bus.
- E. Communications: If operational communications equipment, as required in Section 5.C and/or 5.D of this CONTRACT, are not installed/available on every vehicle, the liquidated damages shall be \$100 per occurrence per bus.
- F. California Highway Patrol (CHP) Inspection: If PROVIDER neglects to report a failed CHP Terminal Inspection to COUNTY as mentioned in Section 5.F of this CONTRACT, the liquidated damages shall be \$1,000 per occurrence per bus and may result in CONTRACT termination.

PROVIDER has 30 days from the date shown on the mailed Notice of Liquidated Damages, describing PROVIDER's action(s) that warranted liquidated damages, to pay COUNTY. If COUNTY does not receive payment for liquidated damages by the 27th day following PROVIDER's Notice, COUNTY, at its sole discretion, will cancel confirmed bus trips scheduled during the suspension period if it is in the COUNTY's best interest to do so.

9. Payment for Service

A. Service Cost

COUNTY agrees to pay the cost of SERVICE requested by COUNTY and provided by PROVIDER based upon established rates indicated on PROPOSER's Bus Rate Forms. Included with COUNTY's receipt of PROVIDER's claim, PROVIDER shall also submit to COUNTY the following documentation attached to the billing: departmental confirmation sheets, driver trip logs, mileage logs, and passenger counts. COUNTY reserves the right to require PROVIDER to submit additional pertinent documentation, when so needed. The Contract number awarded to PROVIDER upon CONTRACT execution shall be clearly written on billing invoices submitted to COUNTY. Additional information may be requested by COUNTY regarding any trip to ensure proper processing of invoices.

Billing invoices shall be mailed to the County of Los Angeles Department of Public Works, Fiscal Division, Accounts Payable, P.O. Box 7508, Alhambra, California 91802-7508.

B. Claims for Payment

PROVIDER shall submit claims in the form and number required by DIRECTOR for payment of SERVICE provided. All claims for payment shall be presented to DIRECTOR within 30 days of SERVICE. Subject to acceptance and approval by DIRECTOR, payments will normally be made within 30 days of the receipt of a properly completed invoice.

10. Permits and Licenses

PROVIDER shall secure and maintain all permits and licenses required by law for the execution of SERVICE under this CONTRACT.

## 11. Indemnification and Insurance

### A. Indemnification

PROVIDER shall indemnify, defend, and hold harmless the COUNTY, its special districts, elected and appointed officers, employees, and agents (COUNTY) from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with PROVIDER's acts and/or omissions arising from and/or relating to this CONTRACT.

### B. Safety Indemnification

To the extent allowed by law, PROVIDER agrees to defend, indemnify and hold harmless the COUNTY, its special districts, and its officers, employees and agents from and against any and all investigations, complaints, citations, liability expense (including defense costs and legal fees), claims, and/or causes of action for damages of any nature whatsoever, including but not limited to injury or death to employees of PROVIDER or COUNTY, attributable to any alleged act or omission of PROVIDER which is in violation of any CalOSHA regulation. The obligation to defend, indemnify and hold harmless includes all investigations and proceedings associated with purported violations of Section 336.10 of Title 8 of the California Code of Regulations pertaining to multi-employer work sites. The COUNTY may deduct from any payment otherwise due PROVIDER any costs incurred or anticipated to be incurred by the COUNTY, including legal fees and staff costs, associated with any investigation or enforcement proceeding brought by CalOSHA arising out of the work being performed by PROVIDER under this CONTRACT.

### C. Insurance

Without limiting PROVIDER's indemnification of the COUNTY and during the term of this CONTRACT, PROVIDER shall provide and maintain the following programs of insurance specified in this CONTRACT. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the COUNTY, and such coverage shall be provided and maintained at PROVIDER's own expense.

- 1) Evidence of Insurance - Certificate(s) or other evidence of coverage satisfactory to the COUNTY shall be delivered to County of Los Angeles, Department of Public Works, Programs Development Division, 11th Floor, Transit Operations Section, Attention Ms. Kathi Delegal, 900 South Fremont Avenue, Alhambra, California 91803-1331, prior to commencing services under this CONTRACT. Such certificates or other evidence shall:



- a. Specifically identify this CONTRACT.
  - b. Clearly evidence all coverage required in this CONTRACT.
  - c. Contain the express condition that COUNTY is to be given written notice by mail at least 30 days in advance of cancellation for all policies evidenced on the certificate of insurance.
  - d. Include copies of the additional insured endorsement to the commercial general liability policy, adding the COUNTY, its special districts, its officials, officers, and employees as insured for all activities arising from this CONTRACT.
  - e. Identify any deductibles or self-insured retentions for COUNTY's approval. The COUNTY retains the right to require PROVIDER to reduce or eliminate such deductibles or self-insured retentions as they apply to COUNTY, or, require PROVIDER to provide a bond guaranteeing payment of all such retained losses and related costs, including but not limited to expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.
- 2) Insurer Financial Rating - Insurance is to be provided by an insurance company acceptable to the COUNTY with an A. M. Best rating of not less than A:VII, unless otherwise approved by COUNTY.
- 3) Failure to Maintain Coverage - Failure by PROVIDER to maintain the required insurance, or to provide evidence of insurance coverage acceptable to COUNTY, shall constitute a material breach of contract upon which the COUNTY may immediately terminate or suspend this CONTRACT. COUNTY, at its sole option, may obtain damages from PROVIDER resulting from said breach. Alternatively, COUNTY may purchase such required insurance coverage, and without further notice to PROVIDER, COUNTY may deduct from sums due to PROVIDER any premium costs advanced by COUNTY for such insurance.
- 4) Notification of Incidents, Claims, or Suits - PROVIDER shall report to COUNTY's Project Manager:
- a. any accident or incident relating to services performed under this CONTRACT which involves injury or property damage which may result

in the filing of a claim or lawsuit against PROVIDER and/or COUNTY. Such report shall be made in writing within 24 hours of occurrence.

- b. any third-party claim or lawsuit filed against PROVIDER arising from or related to services performed by PROVIDER under this CONTRACT.
  - c. any injury to a PROVIDER's employee which occurs on COUNTY property. This report shall be submitted on a COUNTY "Non-employee Injury Report."
  - d. any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of COUNTY property, monies, or securities entrusted to PROVIDER under the terms of this CONTRACT.
- 5) Compensation for County Costs - In the event that PROVIDER fails to comply with any of the indemnification or insurance requirements of this CONTRACT, and such failure to comply results in any costs to COUNTY, PROVIDER shall pay full compensation for all costs incurred by COUNTY.

D. Insurance Coverage Requirements

- 1) General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:

General Aggregate:	\$2 million
Products/Complete Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

- 2) Automobile Liability insurance endorsed for all owned, hired, and nonowned vehicles in an amount as recommended by the PUC, but not less than the following:

Seating capacity of 16 passengers or more (including driver)	\$5 million
Seating capacity of 15 passengers or less (including driver)	\$1.5 million
Taxicabs as defined by Vehicle Code, Section 27908, a minimum of:	
Per person:	\$100,000
Per occurrence:	\$300,000

Property damage:	\$ 50,000
Combined single-limit:	\$300,000

A certificate evidencing such insurance coverage shall be filed with DIRECTOR prior to PROVIDER providing SERVICE hereunder and thereafter before such insurance coverage expires.

- 3) Workers' Compensation and Employers' Liability insurance providing Workers' Compensation benefits, as required by the Labor Code of the State of California, or by any other state for which the PROVIDER is responsible. If PROVIDER's employees will be engaged in maritime employment, coverage shall provide Workers' Compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act, or any other Federal law for which the PROVIDER is responsible. In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

As a condition precedent to its performance pursuant to this CONTRACT, the PROVIDER, by and through its execution of this CONTRACT, certifies that it is aware of, and understands, the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability of Workers' Compensation or to undertake self-insurance in accordance with those provisions before commencing the performance of work under this CONTRACT, and agrees to fully comply with said provisions.

The above requirements can be met by a combination of primary and excess insurance coverage.

## 12. Finance

SERVICE will be financed with Proposition A Local Return Funds and administered by Public Works.

## 13. Driver Training and Safety Program

PROVIDER shall provide regular and continuous formal driver training and safety instruction for all operating personnel assigned to perform any activities under this CONTRACT and such personnel shall be required to attend regularly scheduled safety meetings at least twice a year.

#### 14. Independent Contractor Status

This CONTRACT is by and between COUNTY and PROVIDER and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association as between COUNTY and PROVIDER. PROVIDER understands and agrees that all persons furnishing SERVICE pursuant to this CONTRACT are, for purposes of workers' compensation liability, employees solely of PROVIDER and not of COUNTY.

PROVIDER shall bear the sole responsibility for furnishing workers' compensation benefits to any person for injuries arising from or connected with SERVICE performed on behalf of PROVIDER pursuant to this CONTRACT.

#### 15. Termination of Contract

- A. This CONTRACT may be terminated by DIRECTOR upon 30 days prior written notice, with the exception of the COUNTY's right to terminate CONTRACT immediately as provided in Section 11, C.3 of this CONTRACT. Upon termination, any financial liability due to PROVIDER from COUNTY will be paid to PROVIDER no later than 30 days after receipt of a properly completed invoice.
- B. COUNTY will further have the right to terminate this CONTRACT immediately in its entirety and all rights ensuing therefrom upon the occurrence of one or more of the following:
  - 1) The occurrence of any act which operates to deprive PROVIDER of the rights, powers, licenses, permits, and authorities necessary for the proper conduct and operation of the activities authorized herein for a period of 30 days, or the filing by or against PROVIDER of any petition in bankruptcy, or any reorganization of PROVIDER pursuant to the Bankruptcy Act; provided, however, that any attempt upon the part of PROVIDER to make an assignment for the benefit of creditors shall constitute a breach of this CONTRACT and, thereupon, this CONTRACT shall become null and void and no right granted or conferred by this CONTRACT shall pass under said attempted assignment;
  - 2) The abandonment or discontinuance by PROVIDER of SERVICE herein designated by any act or acts of PROVIDER without the prior written consent of DIRECTOR;
  - 3) Any persistent violation on the part of PROVIDER's agents, servants, or employees of the traffic rules and regulations of the State of California or disregard of the safety of persons using buses, upon failure or refusal on the part of PROVIDER to correct the same forthwith after notice from DIRECTOR to do so;

- 4) The failure by PROVIDER to keep, perform, and observe any of the covenants, conditions, and terms of this CONTRACT to be kept, performed, or observed;
- 5) Failure on the part of PROVIDER to maintain the quality of SERVICE required by the conditions, requirements, and specifications of this CONTRACT after a five day written notice to correct any deficiency found therein, including, but not limited to any cessation or diminution for any reason whatsoever to maintain in its employment the personnel necessary to provide SERVICE as requested by COUNTY; or
- 6) Failure to maintain the whole, or any portion, of PROVIDER's bus equipment, other equipment, or facilities in a manner satisfactory to DIRECTOR after a five day written notice to correct any deficiency found therein.

16. Termination for Improper Consideration

COUNTY may, by written notice to PROVIDER, immediately terminate the right of the PROVIDER to proceed under this CONTRACT if it is found that consideration, in any form, was offered or given by PROVIDER, either directly or through an intermediary, to any COUNTY officer, employee, or agent with the intent of securing this CONTRACT or securing more favorable treatment with respect to the award, amendment, or extension of this CONTRACT or the making of any determination with respect to the PROVIDER's performance pursuant to this CONTRACT. In the event of such termination, COUNTY shall be entitled to pursue that same remedies against PROVIDER as it could pursue in the event of default by the PROVIDER.

PROVIDER shall immediately report any attempt by a COUNTY officer or employee to solicit such improper consideration. The report shall be made to either the COUNTY manager charged with the supervision of the employee or to the COUNTY Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

17. Unforeseen Conditions

PROVIDER will not be charged, nor will DIRECTOR demand from PROVIDER damages because of failure in providing SERVICE indicated in this CONTRACT due to unforeseeable causes beyond the control and without the fault or negligence of PROVIDER. Such causes of excusable delay may include acts of Federal and/or State governments, acts of COUNTY, or anyone employed by it, acts of public enemy, fires,

force of nature, loss of transportation facilities, loss of funding, epidemic, quarantine, restrictions, lock out, strikes, freight embargoes, and public road closures, when satisfactory evidence thereof is presented to DIRECTOR, but in every case the delay is excusable only for so long as, and to the extent that, the excusable delay continues.

In the event that PROVIDER is unable to provide SERVICE indicated due to any cause, PROVIDER shall notify DIRECTOR and the public patronizing SERVICE by telephone as soon as possible.

18. Monitoring of Service

DIRECTOR shall have the right to have authorized COUNTY personnel board at no cost to the COUNTY, all buses utilized by the PROVIDER in the performance of SERVICE, for the purpose of monitoring SERVICE or inspecting SERVICE vehicles.

19. Default by Provider

If PROVIDER fails to provide SERVICE within the time specified, in the manner specified, does or causes to occur any of the acts indicated in Section 6, Service Requirements, or if PROVIDER is not carrying out the intent of this CONTRACT, DIRECTOR's written notice may be served upon PROVIDER demanding satisfactory compliance with this CONTRACT. If PROVIDER does not comply with such notice within five days after receiving it, or after starting to comply, fails to continue, COUNTY may complete and continue SERVICE by contracting for the unfinished SERVICE with another PROVIDER or providing for and continuing SERVICE with its own personnel and/or equipment or by combination of such methods. This CONTRACT may be canceled by the DIRECTOR or the Board without liability for damages, when in the DIRECTOR's/Board's opinion PROVIDER is not complying in good faith, has become insolvent, or assigned or subcontracted any part of the work without the DIRECTOR's written consent. In the event of such cancellation, PROVIDER will be paid the actual amount due based on the number of actual bus trips completed at the time of cancellation, less damages caused to COUNTY by acts of PROVIDER causing the cancellation. Such damages shall include costs incurred by COUNTY to complete SERVICE over and above the costs which would have resulted had SERVICE been completed under this CONTRACT. These damages may be deducted from the money due or becoming due to PROVIDER from COUNTY. If the sums due under this CONTRACT are insufficient, PROVIDER shall pay to COUNTY within ten business days after receipt of an invoice from COUNTY all costs in excess of the amounts withheld by COUNTY.

20. Emergency In-Lieu Performance By County

In the event that PROVIDER fails, neglects, or is unable to timely perform SERVICE as specified herein, DIRECTOR reserves the right, without terminating this CONTRACT and

without declaring this CONTRACT in default as specified in Section 19, Default by Provider, to provide such SERVICE until such time as PROVIDER demonstrates its ability to continue performance. PROVIDER agrees to pay COUNTY for the reasonable costs thereof.

21. Personnel and Operations

PROVIDER shall furnish all personnel, supplies, fuel, equipment, and transportation necessary for the performance of SERVICE hereunder.

All personnel assigned to perform SERVICE under this CONTRACT shall be subject to the continuous review of COUNTY and PROVIDER. Employment and compensation of such personnel shall be in accordance with all applicable Federal, State, and local ordinances and laws, including, but not limited to the Immigration Reform and Control Act of 1986 (P.L. 99-603). PROVIDER shall indemnify, defend, and hold harmless, COUNTY, its officers, agents, and employees from employer sanctions and any other liability which may be assessed against PROVIDER or COUNTY or both in connection with any alleged violation of Federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this CONTRACT. Such personnel shall treat passengers in a courteous and cooperative manner, be clean, and neatly dressed. PROVIDER shall have the right to refuse any or all passengers if passenger activity will in any way impair the safe operation of any vehicle operating under SERVICE.

PROVIDER shall supply a sufficient number of competent personnel to operate and maintain all equipment and to provide SERVICE required herein under at all times during hours of operation. PROVIDER shall have a staffed office during normal business hours (Monday through Friday, 8 a.m. to 5 p.m.). PROVIDER shall have an appropriate person available to accept calls, via cellular phone and/or direct phone line, seven days a week, 24 hours a day. The personnel required herein may also jointly operate any other service not covered by CONTRACT, but only to the extent that such other activities do not result in a diminishing of SERVICE provided herein as determined by DIRECTOR.

Upon notice from DIRECTOR concerning unacceptable conduct, demeanor, or appearance of such persons employed by PROVIDER, PROVIDER shall take steps necessary to remove or alleviate the cause of concern to DIRECTOR and shall advise DIRECTOR of the steps taken.

22. Consideration of Greater Avenues for Independence (GAIN) Program Participants for Employment

Should PROVIDER require additional or replacement personnel after the effective date of this CONTRACT, PROVIDER shall give consideration for any such employment openings to participants in the COUNTY's Department of Public Social Services' GAIN

Program who meet the PROVIDER's minimum qualifications for the open position. The COUNTY will refer GAIN participants by job category to PROVIDER.

23. Consideration of Hiring County Employees Targeted for Layoffs

Should PROVIDER require additional or replacement personnel after the effective date of this CONTRACT, PROVIDER shall give first consideration for such employment openings to qualified permanent COUNTY employees who are targeted for layoff or qualified former COUNTY employees who are on a re-employment list during the life of this CONTRACT.

24. Business Record Retention and Inspection

PROVIDER shall provide access to operational records for SERVICE deemed necessary by COUNTY and/or appropriate State agencies, and shall provide copies thereof upon specific request. PROVIDER shall keep records of all operating costs of SERVICE in accordance with strict accounting procedures. All reportable (as defined by law) accidents involving SERVICE equipment or personnel while operating with COUNTY passengers under this CONTRACT shall be immediately reported to COUNTY. PROVIDER shall maintain such operating and fiscal records as necessary to comply with the Los Angeles County Metropolitan Transportation Authority Proposition A Local Return Fund requirements and procedures and shall maintain all records on file for a minimum of four years following the close of each fiscal year of SERVICE.

25. Audit and Reimbursement

If, at any time during the term of this CONTRACT or at any time after the expiration or termination of this CONTRACT, authorized representatives of COUNTY conduct an audit of SERVICE and if such audit finds that COUNTY's dollar liability for such service is less than payments made by COUNTY to PROVIDER, the PROVIDER agrees that the difference shall be either: (1) repaid forthwith by PROVIDER to COUNTY by cash payment, or (2) at DIRECTOR's option, credited against any future payments hereunder to PROVIDER. If such audit finds that COUNTY's dollar liability for SERVICE is more than payments made by COUNTY to PROVIDER, then the difference shall be paid to PROVIDER by COUNTY by cash payment, provided that in no event shall COUNTY's maximum obligation as set forth in this CONTRACT be exceeded.

26. Substance Abuse Testing

PROVIDER shall implement the drug and alcohol abuse testing program as specified in APPENDIX C, Controlled Substance and Alcohol Testing Program. PROVIDER shall meet all applicable Federal, State, and local requirements for controlled substance and alcohol testing programs, including but not limited to any and all requirements, as codified



in the Federal Code of Regulations, 49 CFR Ch. VI 653.47 and 654.35 as well as any conditions and provisions of insurance policies obtained pursuant to Section 11.C, Insurance, of this CONTRACT. PROVIDER shall be required to provide COUNTY proof of PROVIDER's compliance with statutory provisions by submitting (1) Federal Drug Screening Report and (2) Quarterly Report (APPENDIX D) and any other documents as reasonably requested by COUNTY to ensure compliance.

## 27. Child Support Laws

### A. COUNTY's Policy on Child Support Laws

PROVIDER acknowledges that COUNTY places a high priority of the enforcement of child support laws and the apprehension of child support evaders. PROVIDER understands that it is COUNTY's policy to encourage all COUNTY contractors to voluntarily post the COUNTY of L.A.'s Most Wanted: Delinquent Parents List in a prominent position at PROVIDER's place of business. COUNTY will supply PROVIDER with the poster to be used.

### B. Child Support Compliance Program

As required by the COUNTY Child Support Compliance Program (County Code, Chapter 2.200), PROVIDER shall maintain compliance with Employment and Wage Reporting requirements as required by the Federal Social Security Act (42 USC, Section 653) and California Unemployment Insurance Code, Section 1088.5, and shall implement lawfully served Wage and Earnings Withholding Orders or District Attorney Notice of Wage Assignment for Child or Spousal Support, pursuant to Code of Civil Procedures, Section 706.031, and Family Code, Section 5246(b).

### C. Termination for Noncompliance with Child Support Requirements

PROVIDER shall maintain compliance with requirements of COUNTY Child Support Compliance Program as certified in the PROVIDER's Child Support Compliance Program Certification and as set forth in this CONTRACT. Failure of the PROVIDER to maintain compliance with these requirements will constitute a default under the terms of this CONTRACT. Failure to cure such a default within 90 days of notice by the COUNTY shall be grounds upon which the COUNTY may give notice of termination and terminate this CONTRACT.

## 28. Notice to Employees Regarding the Federal-Earned Income Credit

PROVIDER shall notify its employees that they may be eligible for the Federal-Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015, APPENDIX F.

## 29. Provider Responsibility and Debarment

- A. A responsible PROVIDER is a PROVIDER who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the proposed contract. It is the COUNTY's policy to conduct business only with responsible providers.
- B. PROVIDER is hereby notified that, in accordance with Chapter 2.202 of the COUNTY Code, if COUNTY acquires information concerning the performance of PROVIDER on this or other contracts which indicates that PROVIDER is not responsible, COUNTY may, in addition to other remedies provided in this CONTRACT, debar PROVIDER from bidding on COUNTY contracts for a specified period of time not to exceed three years and terminate any or all existing contracts the PROVIDER may have with COUNTY.
- C. COUNTY may debar a PROVIDER if its Board of Supervisors finds, in its discretion, that PROVIDER has done any of the following: (1) violated any term of a contract with COUNTY; (2) committed any act or omission which negatively reflects on PROVIDER's quality, fitness, or capacity to perform a contract with COUNTY or any other public entity, or engaged in a pattern or practice which negatively reflects on the same; (3) committed an act or offense which indicates a lack of business integrity or business honesty; or (4) made or submitted a false claim against COUNTY or any other public entity.
- D. If there is evidence that PROVIDER may be subject to debarment, DIRECTOR will notify PROVIDER in writing of the evidence which is the basis for the proposed debarment and will advise PROVIDER of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- E. The Contractor Hearing Board, comprised of representatives from various COUNTY departments, will conduct a hearing where evidence on the proposed debarment is presented. PROVIDER and/or PROVIDER's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a proposed decision, which shall contain a recommendation regarding whether PROVIDER should be debarred, and, if so, the appropriate length of time of the debarment. If PROVIDER fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, PROVIDER may be deemed to have waived all rights of appeal.
- F. A record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

- G. PROVIDER is obligated to inform COUNTY whether it (including any of its officers and/or other person(s) or entities which have a controlling interest in PROVIDER) is or has been on any debarred bidders list maintained by the United States Government. Failure to inform COUNTY may cause the termination of this CONTRACT in its entirety.

30. Default Regarding use of County Lobbyist

PROVIDER and each COUNTY Lobbyist or COUNTY Lobbying firm as defined in Los Angeles COUNTY Code, Section 2.160.010, retained by PROVIDER, shall fully comply with the COUNTY Lobbyist Ordinance, Los Angeles COUNTY Code 2.160. Failure on the part of PROVIDER or any COUNTY Lobbyist or COUNTY Lobbying firm retained by PROVIDER to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this CONTRACT upon which COUNTY may immediately terminate or suspend this CONTRACT.

31. Use of Recycled Bond Paper

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at COUNTY landfills, PROVIDER agrees to use recycled-content paper to the maximum extent possible on the Project.

32. County's Quality Assurance Plan

The COUNTY or its agent will evaluate PROVIDER's performance under this CONTRACT on not less than an annual basis. Such evaluation will include assessing PROVIDER's compliance with all CONTRACT terms and performance standards. PROVIDER deficiencies which COUNTY determines are severe or continuing and that may place performance of this CONTRACT in jeopardy, if not corrected, will be reported to the Board. The report will include improvement/corrective action measures taken by the COUNTY and PROVIDER. If improvement does not occur consistent with the corrective action measures, COUNTY may terminate this CONTRACT or impose other penalties as specified in this CONTRACT.

33. Delegation and Assignment

The PROVIDER may not delegate its duties and/or assign or transfer its rights hereunder, either in whole or in part, without the prior written consent of the DIRECTOR.

34. Prohibition Against Use of Child Labor

The PROVIDER shall:

- A. Not knowingly sell or supply to COUNTY any products, goods, supply, or other personal property or manufactured in violation of child labor standards set by the International Labor Organization through its 1973 Convention Concerning Minimum Age for Employment; and,
- B. Upon request by COUNTY, provide the country/countries of origin of any products, goods, supplies, or other personal property PROVIDER sells or supplies to COUNTY; and,
- C. Upon request by COUNTY, provide to COUNTY the manufacturer's certification of compliance with all international child labor conventions.

Should COUNTY discover that any products, goods, supplies, or other personal property sold or supplied by PROVIDER to COUNTY are produced in violation of any international child labor conventions, PROVIDER shall immediately provide an alternative, compliant source of supply.

Failure by PROVIDER to comply with provisions of this clause will be grounds for immediate cancellation of this CONTRACT.

### 35. Convenience

It is not the intent of the COUNTY to terminate this CONTRACT before the completion of all items except for sound business reasons of which the COUNTY shall be the sole judge, however, and notwithstanding:

- A. The COUNTY reserves the right to renegotiate the terms of this CONTRACT to reduce the PROVIDER's compensation in the event such reduction is necessary, in the sole discretion of the COUNTY, to achieve County budget reductions. Nothing in this paragraph is intended to diminish the COUNTY's right to terminate this CONTRACT as provided herein;
- B. The COUNTY may at any time terminate this CONTRACT, or any portion thereof, without liability (except as herein provided) by delivering to the PROVIDER written notice specifying the desired termination date at least 30 days in advance thereof; and
- C. If this CONTRACT is terminated, the PROVIDER shall, within 30 days of the Notice of Termination, complete those items of work which are in various stages of completion which the DIRECTOR determines are necessary to bring the work to a timely, logical, and orderly end. Reports, samples, and other materials prepared by the PROVIDER under this CONTRACT shall be delivered to the COUNTY upon request and shall become the property of the COUNTY.

36. Limitation of the County's Obligation Due to Nonappropriation of Funds

- A. The COUNTY's obligation is payable only and solely from funds appropriated for the purpose of this CONTRACT.
- B. All funds for payments after June 30 of the current fiscal year are subject to the COUNTY's legislative appropriation for this purpose. Payments during subsequent fiscal periods are dependent upon the same action.
- C. In the event this CONTRACT extends into succeeding fiscal year periods, and if the governing body appropriating the funds does not allocate sufficient funds for the next succeeding fiscal year's payments, then the affected equipment and/or services shall be terminated as of June 30 of the then current fiscal year. The COUNTY shall notify the PROVIDER in writing of such nonallocation at the earliest possible date.

37. Nondiscrimination in Employment

PROVIDER shall ensure that qualified applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, national origin, age, condition of physical or mental disability, marital status, political affiliation, sexual orientation, or gender. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection of training, including apprenticeship.

PROVIDER shall deal with its bidders or vendors without regard to, or because of, race, color, religion, ancestry, national origin, age, condition of physical or mental disability, marital status, political affiliation, sexual orientation, or gender.

PROVIDER shall allow the COUNTY representative access to its employment records during regular business hours to verify compliance with the provisions of this section when so requested by the COUNTY.

If COUNTY finds that any of the above provisions have been violated, the same shall constitute a material breach of contract upon which COUNTY may determine to cancel, terminate, or suspend this CONTRACT. While COUNTY reserves the right to determine independently that the antidiscrimination provisions of this CONTRACT have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that PROVIDER has violated State or Federal antidiscrimination laws or regulations shall constitute a finding by the COUNTY that PROVIDER has violated the antidiscrimination provisions of this CONTRACT.

The parties agree that in the event PROVIDER violates the antidiscrimination provisions of this CONTRACT, COUNTY shall, at its option, be entitled to a sum of \$500 pursuant to California Civil Code Section 1671 as liquidated damages in lieu of canceling, terminating, or suspending this CONTRACT.

38. Assignment

This CONTRACT, or any interest therein, including any claims for monies due or to become due with respect thereto, may only be assigned upon the written consent of the other party and any prohibited assignment shall be null and void. Neither party will unreasonably withhold the other party's request for assignment. Any payments to any assignee of any claim under this CONTRACT, in consequence of each consent, shall be subject to set-off, recoupment, or other reduction for any claim which one party may have against the other.

39. Assurance of Compliance with Civil Rights Laws

PROVIDER hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000e through 2000e(17), to the end that no person shall, on the grounds of race, creed, color, gender, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this CONTRACT or under any project, program, or activity supported by this CONTRACT.

40. Compliance with Laws

- A. PROVIDER agrees to comply with all applicable Federal, State, and local laws, rules, regulations, or ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference.
- B. PROVIDER agrees to indemnify and hold the COUNTY harmless from any loss, damage, or liability resulting from a violation on the part of the PROVIDER of such laws, rules, regulations, or ordinances.

41. Governing Laws

This CONTRACT shall be construed in accordance with and governed by the laws of the State of California.

42. Validity

The invalidity in whole or in part of any provision of this CONTRACT shall not void or affect the validity of any other provision.

#### 43. Waiver

No waiver of a breach of any provision of this CONTRACT by either party shall constitute a waiver of any other breach of said provision or any other provision of this CONTRACT. Failure of either party to enforce at anytime or from time to time, any provision of this CONTRACT shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity.

#### 44. Notification

- A. Notices desired or required to be given under these Specifications, Conditions, or Terms herein or any law now or hereafter in effect may, at the option of the party giving the same, be given by enclosing the same in a sealed envelope addressed to the party for whom intended and by depositing such envelope with postage prepaid in the United States Post Office or any substation thereof, or any public box, and any such notice and the envelope containing the same shall be addressed to PROVIDER at its place of business, or such other place as may be hereinafter designated in writing by PROVIDER. The notices and envelopes containing the same to COUNTY shall be addressed to:

Chief Deputy Director  
County of Los Angeles Department of Public Works  
P.O. Box 1460  
Alhambra, CA 91802-1460

- B. In the event of suspension or termination of this CONTRACT, notices may also be given upon personal delivery to any person whose actual knowledge of such suspension or termination would be sufficient notice to PROVIDER. Actual knowledge of such suspension or termination by an individual PROVIDER or by a copartner, if PROVIDER is a partnership; or by the president, vice president, secretary or general manager, if PROVIDER is a corporation; or by the managing agent regularly in charge of the work on behalf of said PROVIDER shall in any case be sufficient notice.

#### 45. Terms

In the event that PROVIDER's Terms and Conditions which may be listed in the PROVIDER's proposal conflict with the COUNTY's Specifications, Requirements, Terms, and Conditions, herein, the COUNTY's Specifications, Requirements, Terms, and Conditions shall control and be binding.

46. Entire Agreement

This CONTRACT constitutes the entire agreement between COUNTY and the PROVIDER with respect to the subject matter of this CONTRACT and supersedes all prior and contemporaneous agreements and understandings.

47. Payment Limitations

COUNTY agrees, in consideration of satisfactory performance of these SERVICES and in strict accordance with these specifications, to pay PROVIDER pursuant to the PROVIDER's current Schedule C-2. In no event shall COUNTY reimburse any and all providers providing these contracted services an annual amount greater than \$1.3 million or such greater sum as the Board of Supervisors may authorize.



IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused these presents to be subscribed by the DIRECTOR and PROVIDER has hereunto subscribed its name by and through its officers thereunto duly authorized, as of the day, month, and year hereinabove first written.

**COUNTY OF LOS ANGELES**  
**JAMES A. NOYES,**  
**DIRECTOR OF PUBLIC WORKS**

By: \_\_\_\_\_  
Director

**APPROVED AS TO FORM:**  
**COUNTY COUNSEL**

By: \_\_\_\_\_  
Deputy

PROVIDER

By: \_\_\_\_\_  
President/Vice President

By: \_\_\_\_\_  
Secretary/Assistant Secretary

## APPENDICES

- A. Service Description
- B. Service Area
- C. Controlled Substance and Alcohol Testing Program
- D. Controlled Substance Quarterly Report
- E. Special Event Transportation Confirmation Form
- F. Internal Revenue Service Notice 1015
- G. County of Los Angeles - Policy on Doing Business with Small Business
- H. County of Los Angeles - Vision Statement

## APPENDIX A

### SERVICE DESCRIPTION

For the past several years, COUNTY has issued Purchase Orders to charter bus companies to provide school or coach bus service for recreational trips. The service is offered through each Supervisorial District of the County of Los Angeles to elderly, youth, and/or persons with disabilities which have requested transportation assistance to recreational functions and activities. Data on usage of charter bus services by the Department of Public Works for Fiscal Years 1999-00 and 2000-01 is included below. Actual usage may vary considerably. PROVIDERs will be paid on the basis of actual usage. There is no guarantee as to the number of buses that will be used during the term of the Contract.

#### **Historical Equipment Usage by Vehicle Type**

<b>Vehicle Type</b>	<b>Fiscal Year 1999/00</b>	<b>Fiscal Year 2000/01</b>
Coaches	1276	1249
ADA Compliant Coaches	0	0
School Buses	2181	2143
ADA Compliant School Buses	0	16

## APPENDIX C

### CONTROLLED SUBSTANCE AND ALCOHOL TESTING PROGRAM

#### 1. Substance Abuse Testing

It shall be the duty of PROVIDER to take all steps feasible to ensure that those employed personnel or independent contractors' servicing or operating service vehicles pursuant to this Contract do not perform those functions under the influence of alcohol, controlled substances, or medication which impairs their judgment or physical ability.

In meeting this duty, PROVIDER shall, at a minimum, do the following:

A. Promulgate and Distribute to All Personnel a Written Policy Statement Prohibiting Servicing or Operating Service Vehicles While Under the Influence of Alcohol, Controlled Substances, or Any Medication Which Impairs Judgment or Physical Ability.

The written policy statement shall indicate PROVIDER's intention to: (1) initiate substance abuse testing as described hereinbelow; (2) immediately suspend any personnel testing "positive" for substance abuse from servicing or operating service vehicles pending review pursuant to the procedure described hereinbelow; and (3) absent overruling on review to permanently prohibit such person from servicing or operating service vehicles.

B. Institute a Comprehensive Program for Substance Abuse Testing for All Personnel Entailing Urinalysis and/or Blood Tests.

1. Pre-employment testing of job applicants and independent contractors' all as part of the pre-employment physical examination.

Urine and/or blood samples will be taken as part of the pre-employment physical examination process and will be subjected to recognized testing procedures employed by duly licensed clinical laboratory technicians to determine the presence of alcohol and/or any controlled substance as that term is used in the Health and Safety Code, Section 11054, including, but not limited to, marijuana and its derivatives, opium and its derivatives, methaqualone, methamphetamine, lysergic acid diethylamide, psilocybin, or mescaline. Evidence of controlled substance presence in urine or blood of any job applicant shall require denial of the job application. Evidence of a blood alcohol level at the time of testing of greater than 0.08 percent shall likewise require denial of the job application.

## APPENDIX C (Cont'd)

If PROVIDER at any time during the period of this Contract uses or contemplates usage of independent contractors' to service or operate the service vehicles, the individuals who would perform such functions under such contractual arrangement shall be tested in the fashion described herein and shall be prohibited from performing said functions upon testing "positive" for controlled substance use or blood alcohol concentration in excess of 0.08 percent.

- a. Mandatory drug testing within three hours of a traffic accident or incident giving rise to a suspicion of substance abuse.

PROVIDER shall make the necessary arrangements for and require substance abuse testing of all personnel and/or independent contractors involved in a traffic accident while operating a service vehicle within as short a time as possible following the accident and in no event to exceed three hours thereafter.

PROVIDER shall make the necessary arrangements for and require substance abuse testing of all personnel and/or independent contractors servicing or operating a service vehicle as to whom a report has been received from the public or from coworkers or supervisors as to involvement in a physical altercation, being verbally abusive or otherwise acting in a bizarre manner. PROVIDER shall make arrangements to provide for continued public transportation service prior to ordering the subject individual to report for drug testing, but shall make every effort to have the testing occur within three hours of the reported incident.

In addition to the testing required under Subsection 1.B.1 hereinabove, the testing required pursuant to this subsection shall include testing for the presence of prescription drugs and other over-the-counter medications which are known, on occasion, to cause drowsiness, impairment of judgment, and/or impairment of physical coordination and activity. This classification of substance is intended to include among other things: antihistamines, tranquilizers, pain killers, mood elevators, and psychotropics.

All persons testing "positive" for controlled substance abuse or showing blood-alcohol concentration in excess of 0.08 percent shall be immediately suspended from servicing or operating service vehicles pending review pursuant to the review

## APPENDIX C (Cont'd)

procedure set forth hereinbelow. In the absence of an overruling of the suspension pursuant to the review procedure, PROVIDER shall permanently prohibit these individuals from servicing or operating service vehicles pursuant to this Contract.

All persons whose tests indicate a blood-alcohol concentration greater than 0.00 but less than 0.08 percent or show the presence of a medication known on occasion to cause drowsiness, impairment of judgment and/or impairment of coordination, and other physical abilities shall be immediately suspended from servicing or operating a service vehicle for a period of 24 hours. These individuals shall be given oral explanation and warning confirmed in writing and noted in the personnel file with respect to the potential safety hazard posed by the involved substance.

b. Nondiscretionary, Random Substance Abuse Testing.

PROVIDER shall identify all personnel and/or independent contractors scheduled to service or operate service vehicles pursuant to this Contract and place their names in a data pool susceptible to truly random accessibility either physically as by placement of cards in a tumbler or by programming of an information retrieval system.

Names of individuals shall be chosen for random testing on a percentage of the data pool as required by federal regulations on a quarterly basis which schedule shall be set forth in a public statement distributed quarterly to all personnel and affected other persons. In no event shall the employee have more than six hours notice prior to his or her appointment for the test. The testing shall take place on company time at a location that does not require the person tested to expend more personal time in traveling to or from the testing site than would otherwise be expended in traveling to or from a work location.

The testing shall be as to controlled substance abuse and/or blood-alcohol concentration as set forth in Subsection B.1 hereinabove. Upon evidence of a blood-alcohol level in excess of 0.08 percent or of the presence of any controlled substance

In any tested individual, PROVIDER shall immediately suspend that individual from servicing or operating a service vehicle pursuant to this Contract.

## APPENDIX C (Cont'd)

If the finding of substance abuse is not overruled upon review, PROVIDER shall permanently prohibit any such individual from servicing or operating service vehicles pursuant to this Contract.

c. Double Testing.

All urine and/or blood samples taken for the testing described herein above which test positive shall be processed twice for each subject substance. In those cases where it is necessary to perform a second test on a urine sample, the second test shall use a different methodology to assure the validity of the results.

No disciplinary action set forth herein shall be taken unless the urine or blood tests "positive" for the subject substance in each test.

d. Notification of Suspension and Intent to Prohibit Servicing or Operating Vehicles or Performance of Function with Potential Impact Upon Public Safety.

PROVIDER shall, upon receipt of substance abuse test results warranting action hereinunder, notify the subject individual of his immediate suspension and of PROVIDER's intention to prohibit performance of specified duties. PROVIDER is not required hereby to terminate employment of the individual altogether.

2. Institute A Review Procedure

PROVIDER shall appoint and shall provide paid time for one of PROVIDER's employees to serve as a member of the Review Board. PROVIDER shall also provide the use of a meeting room for the convening of a drug-testing Review Board on an as-needed basis. An individual must request a review in writing and must deliver that request to any superior within two business days of receipt of the notice of suspension or forfeit his right of review. The superior shall deliver the request to any Review Board member.

The Review Board shall consist of a member appointed by PROVIDER, an employee representative (who shall be an employee of PROVIDER) and a third party chosen by the other two.

## APPENDIX C (Cont'd)

The Review Board shall decide upon the consequences of the substance testing set forth in Subsection B hereinabove within one week of receipt of the request for review.

The Review Board shall hold short hearings at which the individual tested shall have the opportunity to dispute the fact of substance abuse and present evidence of extenuating circumstances.

The rules of evidence need not be applied. The fact of substance abuse will be presumed from the results of the substance test. Anticipated as the factual basis for rebutting that presumption would be a contrary test result obtained by the individual voluntarily in a relevant time frame from a competent disinterested laboratory.

The Review Board may make ex parte inquiries to COUNTY health officials with respect to any review proceeding.

The Review Board has absolute discretion to question of extenuating circumstances.

The Review Board shall vote on whether to sustain or overrule the prohibition intended to be imposed within a week of the hearing. A two-thirds vote is required to overrule PROVIDER'S intended work prohibition.

The decision shall be written but need not be a formal document.

### 3. Confidentiality

The substance test results and any material presented to the Review Board shall be maintained in a confidential file by PROVIDER. The confidentiality shall be of a limited nature. The files will not be available for public inspection and the information therein shall not be otherwise published. COUNTY shall have access thereto however. Statistics generated therefrom without specific reference to individuals may be published or made available for public inspection; and PROVIDER will not refuse to honor a criminal or civil subpoena relative thereto.

### 4. Liability

COUNTY shall indemnify, defend, and hold harmless PROVIDER, its officers, agents, and employees, from and against any and all liability, expense, including defense costs and legal fees and claims for



## APPENDIX C (Cont'd)

damages arising from the institution of legal proceedings challenging the right of PROVIDER to subject its employees to mandatory random drug and alcohol abuse testing.

A:\CHARTER BUS.wpd

**APPENDIX D  
LOS ANGELES COUNTY MANDATORY  
CONTROLLED SUBSTANCE AND ALCOHOL TESTING PROGRAM  
QUARTERLY REPORT**

**Provider:**\_\_\_\_\_ **Reporting Period:**\_\_\_\_\_

**Agreement/Contract No.**\_\_\_\_\_ **Project:**\_\_\_\_\_

A requirement of the subject Agreement or Contract is the mandatory quarterly drug testing program. Please complete and submit one of these forms no later than 15 days after the end of each quarter.

**FAX to:** (626) 979-5313

or

**MAIL to:** Los Angeles County Department of Public Works  
Attention Transit Operations Section  
P.O. Box 1460  
Alhambra, CA 91802-1460

<b>I.      <u>RANDOM TESTING</u></b>	<b><u>DRIVERS</u></b>	<b><u>MECH.</u></b>	<b><u>OTHER</u></b>	<b><u>TOTAL</u></b>
a.    Number of drivers and mechanics assigned to project this quarter	_____	_____	_____	_____
b.    Number of random test (% in compliance with federal regulations)	_____	_____	_____	_____
c.    Number of positive tests results	_____	_____	_____	_____
d.    Number of positive second tests	_____	_____	_____	_____
e.    Action taken due to second positive tests	_____			
 <b>II.      <u>PRE-EMPLOYMENT TESTING</u></b>				
a.    Number of potential employees tested	_____	_____	_____	_____
b.    Number of positive tests results	_____	_____	_____	_____
c.    Action taken on positive tests	_____			
 <b>III.     <u>INCIDENT-RELATED TESTING</u></b>				
a.    Number of employees tested	_____	_____	_____	_____
b.    Number of positive tests results	_____	_____	_____	_____
c.    Number of positive second tests	_____	_____	_____	_____
d.    Action taken due to second positive tests	_____			

Prepared By \_\_\_\_\_ Date \_\_\_\_\_



Section 5  
REQUIRED FORMS

- A-1 Statement of an Individual Authorized to Bind the Offer
- A-2 Respondent's Information Sheet
- A-3 Noncollusion Affidavit
- A-4 Avoidance of Conflict of Interest and Equal Employment Opportunity Certifications and Lobbyist Ordinance Affidavit
- B Respondent's Industrial Safety Record
- C-1 Proposal to the Board of Supervisors
- C-2 Service Cost Proposal Form
- D-1 Firm/Organization Compliance Form
- D-2 Firm/Organization Information Form
- E Attestation of Willingness to Consider GAIN Participants
- F Acknowledgment of Addenda Received
- G-1 Child Support Compliance Program Certification
- G-2 Principal Owner Information Form